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PROPOSALS
TO THE
King and Parliament,
HOW THIS
TAX
OF

One hundred sixty thousand pounds *per* Moneth, may be raised, by a Monethly TAX for one Year,

Without any Charge to any particular person, and with great advantage to the whole Nation.

This may be done, by setting up Banks here, like the Bank at *Venice*.

By *M. Lewis*, D. D.

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Propoſals to the KING *and* PARLIAMENT.

NOT many years ſince the Signiors of *Venice* ordered the ſetting up a Bank, where particular perſons depoſited two millions of Ducates without Intereſt to be taken out for their occaſions, when they thought good, or to be transferred to any other perſon, as they pleaſed. The Signiory gave their publick faith, all perſons intruſting their money in the hands of their Officers, ſhould be juſtly dealt withal.

In a ſhort time credit in the Bank became better than caſh in ſpecie, (as it will be in all Banks that have a good Fund) ſo that no man would take his money out of the Bank; Becauſe he could not at pleaſure return it thither again; but rather choſe to write off his Credit to thoſe he was indebted.

Hence theſe two Millions of Ducates lay dead in the Bank, as the Fund of the credit given out. The Intereſt and Uſe of this was clearly loſt to the State.

The Signiory of *Venice* having occaſion for Money, took out all theſe two Millions of Ducates for the publick uſe, and at the ſame time gave the publick

publick faith, that they would repay theſe Ducates, whenever there ſhould be occaſion for them. In the mean time they ordered, the Credit of the Bank ſhould be currant, as it was before.

Not only *Venice*, but all the World did accept this Credit as freely, as if there had been Money in ſpecie to anſwer all the Credit given out; Nay more, the Credit was not only three or four in the hundred better than money in ſpecie, as it was when there were Ducates in the Bank, but it grew to be worth twenty in the hundred better than Money in ſpecie.

My Intelligencer aſſures me, he hath known credit in the Bank to be better than caſh in the Cheſt, twenty eight pound in the hundred.

The States found this inconvenient for Trade; whereupon they made a Law under ſevereſt penalties, that none ſhould ſel his credit in the Bank for above twenty pounds *per cent.* profit; and ſo it continues at this day, with much ado to be kept at that rate.

If any queſtion how this is poſſible? I anſwer There is but two Millions of *Ducates* in the Bank, which is leſſer than the trade of *Venice* requires, to anſwer the payments ordered by the Signiorie to be made there: Hence it is, when the Bank is open, (which is four hours in every day) there are ſeveral Brokers, attending, ſo ſoon as any Credit is tranſmitted, to ask the new Creditor whether he will ſel his Credit at the Market Price, and will preſently pay him *in Specie* a hundred and twenty pounds, the uſual rate for a hundred pounds credit, or as the Market goes.

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This is matter of Fact, and if any perſon doubts the Truth of it, I ſhall be ready to produce ſeveral *Venetian* Meachants, that have lived many years upon the place, and made it their buſineſs, to underſtand the nature and conſtitution of this Bank, called, *Banco de al gero*; A Bank of transfering Credit: who will aſſert the truth of this Narrative.

I ſhall not need to tell any intelligent Perſon, what beneſit this Bank is to that State. Firſt, there is the Intereſt of Two Millions of Duccates ſaved; theſe the Signiori uſed, and gave only their Publick Faith, theſe ſhould be repaied, when need ſhould require; which is never like to be, to the end of the World.

Either the Creditor will deſire their mony in Peace or War: But they have not yet, in either of theſe caſes deſired it. In Peace to be ſure it; better in the Bank, than Caſh *in ſpecie*, by Twenty in the hundred. They have not, and its like will not, deſire mony *in ſpecie*, in a time of War, then it is not to be had, if the War be chargeable.

Every wiſe man knows, as ſoon as the War is over, let it end how it will, the Credit will return to be currant. The Conqueror (though it ſhould be the *Turk* himſelf,) would probably continue the Bank: for otherwiſe, he loſes two Millions of Duccates of the running Caſh of the Nation, in deſtroying the Bank, it is all one, as if he ſhould cauſe the People to raiſe two Millions of Duccates and caſt them into the Sea.

This is a Second, and a conſiderable advantage of this Bank at *Venice*; when the Signiorie took out the Duccates that lay dead in the Bank, they added

added Two Millions of Duccates to running Caſh of their State; now it is riſen to Twenty in the Hundred change: there is an augmentation of above Three hundred thouſand Duccates more.

I may add to theſe, the incredible conveniency of Exchanging of Mony, where a Merchant may write off more Credit in a quarter of an hour, than any Merchant in *London*, can tell in a week.

Thoſe that would underſtand more of the advantages of Banks, and of the excellency of Bank-mony, may peruſe my larger Propoſals to the King and Parliament, of Erecting a Bank, wherein I demonſtrated, That Credit in Bank is more Safe, more Portable, and more Transferable than Caſh *in ſpecie*; and ſo is better, as Gold, for theſe reaſons, is better than Silver.

The great Thing, every one will expect, is to ſhew, how ſuch Banks may be ſet up in *England*, as the Bank at *Venice* is; with the ſame advantage to us, as their Bank is to them: I think this may be done in a few words.

There is a neceſſity of raiſing One hundred and ſixty thouſand pounds *per* Moneth, for the Charge of a preſent War. Suppoſe this be done by a Land Tax, every Pariſh to pay in their proportion at the end of every three Moneths for one Year.

Erect Banks in every County-Town to receive this Mony of the Collectors of every Pariſh for the Kings uſe, and the Banker ſhall give to every Collector a Bill of Credit, that the Country is indebted to him ſo much mony, as he paies; ſuppoſe the *Quota* of a Pariſh, collected of the ſeveral Inhabitants to be Fifty pound; the Collector receives from the Bankers a Bill of Fifty pounds,

or

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or five Bills of Ten pounds a Bill ; or Ten Bills of Five pound a Bill, as he judges convenient, and the Collector distributes these to the Neighbourhood according to their proportions, as they have paid to this rate.

The Parliament makes these Bills to pass, as cuarant Mony ; and that they may be more useful, the Parliament makes them Transferable, and gives their Publick Faith ; this Mony shall be raised *in specie*, if ever it be desired, to answer all Bill of Credit, in whose hands soever they shall be found.

These Constitutions run Paralel with those at *Venice*, and will make as good a Fund, as that Bank hath ; the Credit, at the first setting up, will be as good as Mony, and afterwards, may be of better value, as the Bank at *Venice* is. I can see no difference, nor any inconvenience, these Banks will be liable to here, more than they are there ; there is not any inconvenience, or material circumstance I can think of, that will impede the setting up these Banks here, that the Bank at *Venice* is not liable to.

Ab esse ad posse valet Argumentum.

That which is done in one place, may be done in another, where Circumstances do not vary. This is a *medium*, all will subscribe to ; and that this is our Case, will appear from that which follolws.

Object. *The Publick faith is no good security : The Parliament may not meet, if they do, they may alter their Laws in this case.*

Answ. I do not see why the publick Faith here may not be as good security as it is any-where else.

I have

I have fully answered in my larger Discourse all that can be said against a Monarchy.

Answ. 2. We may as well say when the Parliament meets, they shall all agree every one to cut his own throat.

Answ. 3. The Security for these Bills of Credit will be as good, as that we have for our Lives Liberties or Estates : All are at the Mercy of the Parliament, to be disposed of as they please.

Object. *Suppose these Bills of Credit should be worse than Money ?*

Answ. They need not, as things may be ordered ; if they should, they would be better than nothing at all : The two Millions of Money must be raised, when the Parliament sees they cannot keep up the value of their Credit ; they may revive it, by making a Law to raise the Money gradually, as the Nation can bear it. This will give their Bills reputation again ; as we find by experience, the Credit upon the last Act of Parliament is as valuable as Money ; because there is a set time when every man knows he shall have his Money. In the mean time our present necessities are supplyed, and we have so much Money added to the running Cash of the Nation, without interest, so long as these Bills pass currant.

Admit the Credit should dwindle to nothing by degrees (which cannot rationally be imagined) the decay would be gradual, it would not undo many men, no more than Farthings cried down, were much felt by those that had them.

Object. *It would be better to raise* 170000 *pound yearly on the Nation by a Tax, and to take up two millions at Interest at seven in the hundred.*

Answ.

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Anſw. If Foreiners bring it in, the Intereſt will eat us up. If Natives advance it, there is no increaſe of the running Caſh of the Nation.

I queſtion whether they will do it or no? for their Security is no better than the Fund of the credit I propoſe.

Admit they will do it, when they need not, it is all I beg, to prove what I propoſe is Rational and Practical.

How theſe Bills may be ſo ordered, that it will be impoſſible to counterfeit them: How the Charge of theſe Offices may be born: How theſe Banks may flouriſh under a Monarchy, with ſeveral other Particulars, I have fully ſet forth in a larger Diſcourſe, called, *Propoſals to the King and Parliament, concerning a larger Model of a Bank*; (Soldby *Henry Million*, at the Bible in *Fleetſtreet*, to which I refer thoſe that deſire further ſatisfaction.

F I N I S.

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